

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DOLAN) APPEAL NO. 07-A-2005
KEENEY from the decision of the Board of) FINAL DECISION
Equalization of Ada County for tax year 2007.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came for hearing on December 6, 2007 in Boise, Idaho before Hearing Officer Travis Vanlith. Board Members Lyle R. Cobbs, Linda S. Pike and David E. Kinghorn participated in this decision. Appellants Dolan and Elisabeth Keeney appeared. Chief Deputy Assessor Tim Tallman and Appraiser Diana Landers appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. R7835000579.

The issue on appeal is the market value of a residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$70,000, and the improvements' valuation is \$32,700, totaling \$102,700. Appellants request the total assessed value be reduced to \$80,000.

The subject property is a single-family residence on 0.08 acres located in Boise, Idaho. Built in 1950, the residence has 528 square feet and includes one bedroom and one bath. Subject does not have a garage or other improvements.

Appellants provided Multiple Listing Service (MLS) data from five residential property sales to establish subject's market value at \$80,000, or \$152 per square foot. The sales occurred in 2006 and were located within 0.3 miles of subject. Lots ranged from .16 to .24 acres, which was two to three times larger than the subject lot. Three sales included multiple parcels. The residences were built between 1932 and 1948. Residential living space ranged from 552 to

1,000 square feet. Sale prices ranged from \$85,000 to \$194,950, or \$125 to \$211 per square foot. For comparison, subject was assessed at \$102,700, or \$195 per square foot.

Appellants asserted the sale of 2914 W. Lemhi St. most closely resembled subject. The residence was 24 square feet (5%) larger than subject and had one bedroom. This property had a small detached garage. The lot was between .14 and .23 acres. This property sold in June 2006 for \$85,000, or \$154 per square foot.

The sale prices of Appellants' comparable properties were substantially higher than the requested value of \$80,000. All of the comparable properties were larger than subject in terms of lot size and residential square footage.

Respondent provided data from three residential property sales to establish subject's market value. It was maintained these were the best sales available for comparison to subject. The sales occurred in 2006 and were located within 2.4 miles of subject. Lot sizes were between .09 and .14 acres. The residences were built between 1940 and 1945, and contained 546 to 630 square feet of livable space. One sale had a garage. Sale prices ranged from \$117,200 to \$132,000, or \$203 to \$237 per square foot.

Respondent adjusted the comparable sales to equal subject. The adjustments accounted for differences in finished square footage, garage, fireplaces, decks and patios, lot size, and condition. The adjusted prices ranged from \$107,370 to \$113,600, or \$203 to \$215 per square foot.

According to Respondent, the sale at 1813 S. Broxon St. most closely resembled subject in terms of residential square footage and location. This property received the lowest adjustment (- 8%) when compared to subject. The adjusted price was \$107,530, or \$204 per square foot.

Respondent also provided a map showing assessed land values in the immediate area were uniform.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following:

Idaho Code provides “All property within the jurisdiction of this state, not expressly exempted, is subject to appraisal, assessment and property taxation.” I.C. § 63-203.

Idaho Code further directs that “rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes of all property.” I.C. § 63-208(1).

For taxation purposes, Idaho requires property be valued at market value. I.C. § 63-201(10). The Idaho Administrative Code defines market value and accepted appraisal procedures:

01. Market Value Definition. Market value is the most probable amount of United States dollars or equivalent for which a property would exchange hands between a knowledgeable and willing seller, under no compulsion to sell, and an informed, capable buyer, under no compulsion to buy, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

03. Appraisal Procedures. Market value for assessment purposes shall be determined through procedures, methods, and techniques recommended by nationally recognized appraisal and valuation associations, institutes, and societies and according to guidelines and publications approved by the State Tax Commission.

IDAPA 35.01.03.217.01, .03, see also I.C. § 63-201(10) (emphasis added).

Appellants offered five residential property sales to support subject's market value claim of \$80,000. The variance in sale prices was due to size differences between subject and Appellants' comparable properties. Appellants' comparable lots were two to three times larger than the subject lot. In fact, three comparable properties included multiple parcels. Also, four of the five comparable residences were significantly larger than the subject residence. Although Appellants' comparable sales were located near subject, the differences in lot size and residential square footage were too significant to overlook. The Board commends Appellants for thoroughly researching and presenting their case. However, we find Appellants' comparable sales did not adequately resemble subject and were not indicative of subject's market value.

Respondent offered three residential property sales to establish subject's assessed value. These properties generally resembled subject in terms of age, size, location, and construction quality. Respondent reasonably adjusted the comparable sales to account for differences in lot size, residential square footage, condition, fireplaces, garages, decks, and patios. Subject's assessed value was considerably less than the unadjusted price range, as well as the adjusted price range. The Board finds Respondent's comparable sales adequately resembled subject and were indicative of subject's market value.

A property valuation for taxation purposes, as determined by an assessor, is presumed correct and the taxpayer has the burden of proof to show, by a preponderance of the evidence, an entitlement to relief. *Merris v. Ada County*, 100 Idaho 59, 64, 593 P.2d 394, 399 (1979).

The Board will grant relief where the valuation fixed by the assessor is manifestly excessive, fraudulent or oppressive; or arbitrary, capricious and erroneous resulting in discrimination against the taxpayer. *Roeder Holdings, L.L.C. v. Bd. of Equalization of Ada County*, 136 Idaho 809, 41 P.3d 237 (2001); *Merris*. Appellants claimed subject's assessment

was erroneous, but failed to demonstrate specific errors. Comparable sales provided by Respondent reasonably support subject's assessed value. Therefore, we find the assessment was not arbitrary and Appellants did not demonstrate error by a preponderance of the evidence. The decision of the Ada County Board of Equalization will be affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellants.

MAILED February 5, 2008